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**State of California**  
**Department of Finance**  
**Maintenance & Operations Plan**  
**Guidelines**  
**September 2002**

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# Maintenance and Operations Plan Guidelines

## 1.0 Overview

The State Administrative Manual (SAM) Section 4946 establishes the Maintenance and Operations (M&O) Plan as a vehicle for obtaining Department of Finance (Finance) approval for ongoing M&O activities for IT systems.

The M&O Policy applies only to those IT systems identified by Finance as requiring an M&O Plan. IT projects that may require an M&O Plan are those that involve major application development and system integration components that will require ongoing program software modifications and changes to the operational components of the IT system.

An M&O Plan will span a one- to five-year timeframe.

## 2.0 M&O Plan Scope

The M&O plan outlines the anticipated application or system changes required to support:

- **Workload Growth:** Workload growth for IT systems will use substantially the same resources (i.e., equipment, facilities, personnel, supplies, and software) to process a greater volume of the same or similar information. The results of the processing are the same or similar outputs distributed to additional, comparable users.
- **Maintenance:** Maintenance involves activities or costs associated with the ongoing upkeep of operational applications in information technology. Maintenance includes correcting flaws, optimizing existing systems, responding to minor changes in specified user requirements, and renewal of equipment maintenance agreements using substantially the same equipment, facilities, personnel, supplies and software.
- **Operations:** Operations consist of activities or costs associated with the continued use of applications of information technology. Operations includes personnel associated with computer operations, including network operations, job control, scheduling, key entry, and the costs of computer time or other resources for processing.
- **Hardware/Software:** Hardware and software maintenance and operations includes the addition of server or client processor performance, memory, storage or peripheral enhancements as long as the architecture of the server is not changed; activities associated with new releases of vendor-provided software are included in the original system with engineering or software driver changes associated with hardware included in the original system; and changes to accommodate new peripheral or support hardware, such as printers, communications

components and backup and recovery systems.

## 2.1 M&O Plan Exclusions

The following activities are not appropriate in an M&O Plan and should be addressed using the normal IT project submittal and approval process:

- a. Changes to the architecture or the type of operating environment of the system. These include, but are not limited to, changes of the type or location of central or distributed hardware, or to the type and manufacturer of operating system, database management system, middleware, application-programming language, and communications, network protocol and client desktop software.
- b. Addition of support for new business functions not included and completed in the original system as described in the last approved IT project proposal; i.e., Feasibility Study Report (FSR) or Special Project Report (SPR).
- c. Projects which include the provision of electronic access to private information concerning individuals or entities by entities other than the data owner or by other entities whose access is specifically authorized by law.
- d. Changes to the provider of network or server system operations services, unless those changes are in response to a change in statewide provider contracts administered by the Department of General Services or a state data center.

## 3.0 When to Submit an M&O Plan

When an agency has completed the activities described in an FSR, or any subsequently approved SPR, Finance will regard the IT project as complete pending receipt and approval of the required Post Implementation Evaluation Report (PIER). The M&O Plan must be submitted to Finance prior to placing the IT system into operation.

## 4.0 M&O Plan Components

M&O Plans submitted to Finance for approval must contain the following components:

- a. **Project Identifiers:** Identifying information regarding the project, including the project name and project acronym as originally approved with the FSR. This information should also include the project number assigned to the original project.
- b. **PIER Date:** The date that the agency received approval of a PIER for the development project or when the agency expects to submit the project PIER.
- c. **List of Incomplete Activities:** If the initial M&O Plan is submitted before the PIER submittal, the agency must identify any activities approved in the last approved project document that will be reported in the PIER as incomplete.
- d. **M&O Plan Duration:** The proposed start and end dates of the period that will be described in the M&O Plan.

- e. **Anticipated Workload Growth:** If the M&O Plan addresses workload growth, provide an estimate of the maximum overall growth, or the amount of growth that can be accommodated for a particular function or facility, before changes to the system architecture or operating environment are required.

#### 4.1 Additional M&O information requirements.

Provide the following additional information for each discrete activity included in the M&O Plan:

- a. **Change Activity Description:** The description of that activity, including all components that must be acquired, and the major staff or vendor activities that must be performed.
- b. **Reason:** The reason for the proposed activity, and for any activity that will be performed contingent on an external event, the description of that event, and the manner in which a decision to proceed will be made
- c. **Consequences:** The consequences of delay or failure to complete each activity.
- d. **Risks:** The risks that are likely to affect the IT system and the range of possible outcomes.
- e. **Dates:** The planned date of each activity, if the activities will be performed according to a schedule.
- f. **Costs:** The estimated costs of all external contracts and procurements required for each activity.
- g. **Funding Source:** The various funding sources that are supporting the system operations.
- h. **Procurement Method:** The method planned for any required procurement activities for maintenance and operations of the IT system.
- i. **Personnel Resources:** The internal personnel resources, including time, skill and classification level required for each activity.

#### 5.0 Department of Finance Responsibilities

Finance will:

- a. Identify which IT projects require an M&O Plan;
- b. Notify the agency that the M&O Plan is required in support of the IT system;
- c. Review the M&O Plan to determine whether:
  - (1) All described activities are within the scope of an M&O Plan;
  - (2) All described activities are necessary;

- (3) All necessary activities are included;
  - (4) All necessary contracts and procurements can be successfully completed in compliance with state procurement policies and regulations;
  - (5) All cost and resource estimates are reasonable and sufficient; and
  - (6) The M&O Plan includes appropriate measures to ensure success.
- d. Issue a decision letter to the agency. The decision letter may include conditions that:
- (1) Withhold approval for one or more M&O Plan components;
  - (2) Limit the duration of the M&O Plan to a period shorter than proposed; or
  - (3) Require certain activities including but not necessarily limited to reports before one or more M&O Plan components are approved.

## **6.0 Agency Responsibilities**

Agencies that have been notified that an M&O Plan is required will:

- a. Prepare an M&O Plan in accordance with SAM Policy and SIMM Guidelines.
- b. Submit an M&O Plan to Finance in the timeframe required by Finance.
- c. Update the M&O Plan and submit it to Finance annually throughout the life of the IT system indicating what components have been completed or deferred and identifying any problems that have surfaced in the last year.